## Assembly Bill No. 2387

## **CHAPTER 504**

An act to amend Section 19132 of the Government Code, and to amend Section 10340 of the Public Contract Code, relating to public contracts.

[Approved by Governor September 20, 2014. Filed with Secretary of State September 20, 2014.]

## LEGISLATIVE COUNSEL'S DIGEST

AB 2387, Pan. Public contracts.

(1) Existing law, the State Civil Service Act, permits the use of personal services contracts in order to achieve cost savings and in certain other circumstances, including when the services contracted are not available within civil service. Existing law requires a state agency proposing to execute a personal services contract in those certain other circumstances to notify all organizations that represent state employees who perform the type of work to be contracted, except as specified.

This bill would exempt personal services contracts entered into by the Commission on Peace Officer Standards and Training pursuant to its contracting authority, as specified, from that notification requirement.

(2) Under existing law, state agencies are generally required to obtain at least 3 competitive bids for each contract. This requirement does not apply under certain circumstances, including, among others, when the contract is necessary for the immediate preservation of the public health, welfare, or safety, or protection of state property.

This bill would add to these exceptions contracts entered into by the Commission on Peace Officer Standards and Training or the Office of Emergency Services when those contracts are solely for the services of instructors for public safety training.

The people of the State of California do enact as follows:

SECTION 1. Section 19132 of the Government Code is amended to read:

19132. (a) The State Personnel Board, at the request of an employee organization that represents state employees, shall review the adequacy of any proposed or executed contract that is of a type enumerated in subdivision (b) of Section 19130. The review shall be conducted in accordance with subdivision (c) of Section 10337 of the Public Contract Code. However, a contract that was reviewed at the request of an employee organization when it was proposed need not be reviewed again after its execution.

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- (b) (1) Unless a personal services contract pursuant to subdivision (b) of Section 19130 is necessary due to a sudden and unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, the contract shall not be executed until the state agency proposing to execute the contract has notified all organizations that represent state employees who perform the type of work to be contracted.
- (2) At a minimum, the notice shall include a full copy of the proposed contract. The notifying agency may redact specific confidential or proprietary information from the notice.
- (3) The Department of General Services shall establish a process to certify the notification in paragraph (1).
- (4) The notification and certification of notice requirements of this subdivision do not change the requirements for contracts under Section 11045 or require an additional notification.
- (5) This subdivision does not apply to contracts executed by the Commission on Peace Officer Standards and Training pursuant to subdivision (c) of Section 13503 of the Penal Code and this article.
- SEC. 2. Section 10340 of the Public Contract Code is amended to read: 10340. (a) Except as provided by subdivision (b), state agencies shall secure at least three competitive bids or proposals for each contract.
- (b) Three competitive bids or proposals are not required in any of the following cases:
- (1) In cases of emergency where a contract is necessary for the immediate preservation of the public health, welfare, or safety, or protection of state property.
- (2) When the agency awarding the contract has advertised the contract in the California State Contracts Register and has solicited all potential contractors known to the agency, but has received less than three bids or proposals.
- (3) The contract is with another state agency, a local governmental entity, an auxiliary organization of the California State University, an auxiliary organization of a California community college, a foundation organized to support the Board of Governors of the California Community Colleges, or an auxiliary organization of the Student Aid Commission established pursuant to Section 69522 of the Education Code. These contracts, however, may not be used to circumvent the competitive bidding requirements of this article.
- (4) The contract meets the conditions prescribed by the department pursuant to subdivision (a) of Section 10348.
- (5) The contract has been awarded without advertising and calling for bids pursuant to Section 19404 of the Welfare and Institutions Code.
- (6) Contracts entered into pursuant to Section 14838.5 of the Government Code.
- (7) Contracts for the development, maintenance, administration, or use of licensing or proficiency testing examinations.

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- (8) The contract is for services for the operation, maintenance, repair, or replacement of specialized equipment at facilities of the State Water Resources Development System, as defined in Section 12931 of the Water Code, and meets the conditions established by the Department of Water Resources for those contracts.
- (9) The contract meets the conditions prescribed by the Department of Water Resources for contracts subject to Section 10295.6.
- (10) Contracts entered into by the Commission on Peace Officer Standards and Training or the Office of Emergency Services solely for the services of instructors for public safety training. For the purpose of this paragraph, "public safety training" includes, but is not limited to, training related to law enforcement, emergency medical response, emergency volunteers, and fire responders.
- (c) Any agency which has received less than three bids or proposals on a contract shall document, in a manner prescribed by the department, the names and addresses of the firms or individuals it solicited for bids or proposals.